SmartRecruiters

Making the Right Hire

Hire the Right Talent with 4 Proven Steps

by Natalia Baryshnikova and Caitlin Rolla

Executive Summary

Why Do Companies Struggle With Making the Right Hire Consistently?

The single most important differentiator when it comes to winning in the talent economy is hiring the right people plain and simple. Yet, despite all the best recruiting efforts, hiring team collaboration, metrics tracking, etc. companies are still challenged with recognizing what makes a great hire and how to recruit them to their organizations.

The primary reason companies find it difficult to define what makes the right hire, is that they have a tough time recognizing the right drivers of good performance - and then translate them into structured criteria for hiring. Don't leave your success to luck. The "right hire" varies between organization because your business, your process, your culture are unique. Even more difficult is that many hiring teams simply lack the objective historical and current performance data. These gaps make it difficult to set expectations for how long it should take to hire the right people. Consequently, most organizations settle for less - deciding on availability of a candidate, rather than using concrete data.

Rushed hires can often equate to bad hires, and the impact on organizations is devastating. For example, it takes 2-5x the annual salary to replace a bad hire. Further, according to Harvard Business Review, up to 80% of employee turnover is attributed to bad hires - which can result in prompting your A-players to look elsewhere. Finally, marginally bad hires that stay with your company are incredibly costly. Organizations pay for less dramatic mis-hires through bulging training budgets, which total over 140% of hiring budgets. OUCH! 80% OF EMPLOYEE TURNOVER IS ATTRIBUTED TO POOR HIRING DECISIONS.

So, What's the Secret Sauce to Making a Great Hire?

The good news - and there is good news - is that there are recruiting strategies you can take to empower your hiring team to make better hires more consistently for your organization. The companies that successfully hire the best talent adhere to four essential steps when they open up a new requisition:

4 Essential Steps



Following these four steps will help your teams develop consistency for making the right hire in alignment with your hiring process flow. Now, let's dive into each one!

Define the Right Job

The first and most important step is defining the goals the candidate needs to accomplish in the role and then work backwards to identify the core skills that are necessary.

The most common mistake in defining the right job is focusing on a list of skills that a candidate should have, as opposed to what goals and milestones they should hit. Working backwards from the desired results will help you come up with a list of skills and competencies that actually matter.

Recruiters and hiring managers need to complete this step together. This creates a partnership, builds trust, sets clear expectations up front and enables the recruiter to go out and get the high quality candidates the hiring manager expects. In order to establish what it takes to be successful, you need the voice of both the recruiters and hiring managers. Most jobs have skills only a hiring manager would know because they are closest to the day to day work. On other hand, recruiters are often experts in detecting soft skills, value or culture fit which are equally important. Remember, when it comes to identifying goals and skills it takes two to tango.

Step One

SmartTips: Agree On Goals & Skills

- Ensure recruiter & hiring managers are partners
- O Co-define goals for the role
- Define key skills needed to accomplish agreed upon goals

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the recruiter and hiring manager schedule a one hour meeting.

By making this meeting a deliberate step in their hiring process, it fosters a partnership between recruiters and hiring managers from the start. In this meeting he sets an agenda for the two partners- they must agree on the goals for the role, core competencies needed and cultural fit.

Create a Compelling Job Description



Once your recruiter and hiring manager have agreed upon the set of goals & skills for the particular job, it's time start building your job description together.

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The biggest mistakes often made when writing a job description are using an obscure job title, a goal vs. skill based description, and dry or uninspiring language.

Job Titles Matter.

In 2015, SmartRecruiters partnered with a group of students from Berkeley School of Information to research job listings in the San Francisco Bay Area. One of the most interesting findings of the Berkeley team was that out of job postings in the San Francisco Bay Area in 2014-2015, 93% of job titles were unique, and were never viewed more than once by potential candidates. We also found was that over 90% of jobs listed, 'years of experience needed' were included in the job requirements.

The first finding tells us that organizations gravitate towards using obscure job titles. Otherwise, we'd get a lot more than 7% of repetitive job titles. However, the attempt to promote the uniqueness of the company may cost you candidates. Giving an obscure job title to a common job reduces discoverability, brings in fewer candidates (including good ones!) and therefore increases time to hire. Remember to use descriptive titles for job postings. Choose Product Manager vs. Product Ninja. Adapt to what your candidates will respond to. Maybe you want to make your culture look cool or obfuscate the real level of the job, but candidates most often want to show clear career progression.

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At Pluralsight, writing the job description is a joint effort between recruiters and hiring managers. This ensures that there is agreement on the goals and skills needed.

They also agree on the language used to describe the job. Once again, Ethan tries to a foster a spirit of partnership so both parties are completely on the same page to avoid any future confusion or misinterpretation on the type of candidates to go after.

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Use Plain English (or Spanish, French, German, etc.)

If your job posting does not tell a story, uses confusing language or is not based on facts about the specific skills needed to be successful in the job, you will likely never see the results you want. Ok, so a job ad has to tell a story. But why? Job ads that convert the very best candidates are compelling. They are inspiring, exciting and paint a unique vision. Treat your job ad how you would write any marketing material - a clear structure and straightforward language that paints a picture of the possibilities the candidate might encounter at your company. Get them excited!

JOB ADS THAT CONVERT THE VERY BEST CANDIDATES ARE COMPELLING.

Lastly, tap into your existing employee base. Interview recent hires about your job descriptions. What excited them? What about it made them feel like it was the right fit for them? Were the expectations clear? Use this information to optimize your future job ads.

Step Two

SmartTips: Create a Compelling Job Description

- O Determine a meaningful job title that will resonate with candidate
- O Write goal vs skill based descriptions
- Sell in your job ad: it has to tell a story and use the right keywords
- Interview your recent successful hires for their feedback on job ad





Set Up Hiring Teams

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Now that you have a shared vision between recruiters and hiring managers on the particular skills needed, a clear job description, and a compelling job ad that tells a story, you are ready to bring candidates in to meet the hiring team!

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Here is where your recruiter and hiring managers' hard work will pay off. Based on the defined skills, craft a list of interview criteria that will help you determine the best fit. Consider which skills matter most to your organization i.e, culture fit vs. hard skills. Remember, not all skills are created equal.

Utilize Scorecards in Every Interview

Build your interview scorecard that sets your hiring team up for success. It is critical to evaluate all candidates consistently to ensure you truly compare them equally to maximize your chances of getting the best hire for your organization.

Next, assemble your hiring team. As a best practice, hiring teams consist of a mix of executives, team members and non-team members. This approach enables you to get a sample size of interviewers to eliminate bias and optimize for all skills - both soft skills and hard skills. Assign your interview team members to focus on specific criteria and give them a plan to follow as they head into the interview. Create pools of interviewers who can screen for culture fit, coding skills, marketing acumen, design chops, etc. Then you will be able to tap into this resource without relying on the same few interviewers.

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Ethan Medeiros has a few rules when it comes to running interviews.

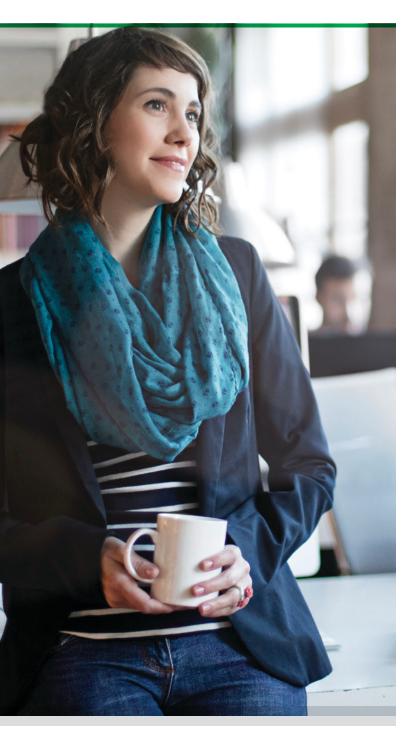
 As a hiring team, decide which criteria is most important. For Pluralsight, culture stands out as the most important hiring criteria. They believe they skills can be learned, but culture cannot, so they weigh cultural fit heavily.

 Always assign interviewers a specific topic to drill down on. Hiring managers go deep on core skills and competencies, while Pluralsight executives always screen for culture.

3) Use scorecards for every interview.
This helps ensure consistency between
interviewers, but also allows them to compare
candidates based on number ranking as
well as quantitative feedback.

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Whitepaper



Train your hiring team to execute impactful interviews. Give them everything they need to be successful in the interviews - interview scorecards with criteria, criteria descriptions, and clear interview questions to ask. Train interviewers on how to identify what a good answer looks like vs. a not so good answer. This will allow you to zero in on the best hires possible.

ASSIGN YOUR INTERVIEW TEAM MEMBERS TO FOCUS ON SPECIFIC CRITERIA AND GIVE THEM A PLAN TO FOLLOW AS THEY HEAD INTO THE INTERVIEW.

Finally, incorporate assessments into your hiring process. Automating assessments like aptitude tests or skills tests, will not only save you time and money, but will ensure consistency of all results. And ensure that your hiring teams who are taking time out of their day are only interviewing the most qualified candidates.

Step Three

SmartTips: Define Right Person

- Choose your best interviewers & create an interviewer pool
- Agree on consistent way of screening using scorecards
- Ensure interviewers understand their roles within hiring teams
- Provide clear direction and tools for interviewing best practices

Set Realistic Hiring Timeline Goals

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The final step is knowing your data and understanding key metrics to help you make better hires, as opposed to rushed hires.

Don't Settle.

One of the most common reasons for making bad hires is by rushing to conclusions. This is often facilitated by failing to recognize what makes a good hire for a specific company, as discussed above, as well as by incentives and pressure to hire as soon as possible. Most bad hires seemed good enough (but not great) at the time of hiring.

The only way to avoid the unnecessary pressure and manage expectations of hiring managers is to make hiring goals realistic. To do that, you need 2 key pieces of data:

- 1. How long does it actually take us to make a hire?
- 2. How long does it take a candidate to start?

Establishing that baseline for individual roles, especially if you have clean data for proven hires, should guide recruiters and hiring managers expectations.

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Pluralsight has full insight into to their "hiring business", including the average time to fill and cost per hire for every open position. Pluralsight further leveraged the SmartRecruiters Tableau connector to provide detailed progress and hiring forecast reports to Finance and the executive team so that budgets can be adjusted in real time.

Ethan monitors the hiring process closely looking for any potential bottlenecks. He once found that he was actually delaying the process because he could not review resumes fast enough. A quick adjustment to the hiring process and candidates were once again flowing nicely through helping them reach hiring goals on time.



It's best to do this analysis when you create a job. It will help you set a reasonable target start date for each hire so that you can also adequately measure recruiters' performance against hiring goals. Once you have identified the overall timeframe for a particular hire, we recommend that you then review history of your hiring efforts in greater detail by looking at your pipeline velocity and identifying bottlenecks. For example, depending on the hiring manager or department, the Hiring Manager Review stage may vary by magnitude of weeks.

KNOWING HISTORICAL DATA AROUND HOW LONG IT TAKES TO HIRE SPECIFIC ROLES AND IDENTIFYING POTENTIAL BOTTLENECKS WILL HELP YOU BETTER MANAGE YOUR CURRENT HIRING.

Knowing historical data around how long it takes to hire specific roles and identifying potential bottlenecks will help you better manage your current hiring. You can do regular check-ins related to bottlenecks to see how you're doing, and spot when the hiring goals are slipping. Make sure your recruiters and hiring managers review this together - it is a great way to have a productive dialog between the recruiting and business organization it's serving. After all, we all have one goal in mind - hiring the best people to build your company!

No matter how big or small your organization, following these 4 steps brings consistency to how your team makes hires and sets you up for success in hiring the right people for your company.





SmartRecruiters' modern enterprise talent acquisition platform is replacing yesterday's applicant tracking systems at a rapid pace. The end-to-end recruitment software seamlessly combines recruitment marketing (CRM) and hiring management (ATS) in one modern platform. It drives hiring success through a great candidate experience, hiring manager engagement, and recruiter productivity. This allows companies to acquire the great talent they need to compete effectively in today's economy. Atlassian, Ancestry.com, Equinox Fitness Clubs, Marc Jacobs, NBTY, Skechers, and Ubisoft are among the leading enterprises that have replaced their legacy systems with SmartRecruiters' talent acquisition platform. For more information, follow us at @SmartRecruiters, on LinkedIn or on https://www.smartrecruiters.com.

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